

Affordable Housing Needs

June 15, 2016

1 - LACK OF AFFORDABLE HOUSING FOR SALE

Two Segments: Price ranges of \$95,000 to \$125,000 [Level I]
 Price ranges of \$125,000 to \$150,000 [Level II]

Why:

- Young professionals and moderate income working families need houses in this price range.
- For Public Housing – tenants who eventually exceed Income limits need a “bridge” to homeownership.

2 – LACK OF DOWN PAYMENT & CLOSING ASSISTANCE for low income families

As low-income families gain more income and eventually exceed low income limits they need to be able to move from public rentals to homeownership. They need a “bridge” to an affordable home in the price ranges which are currently lacking in market [see #1 above]. GHA is planning to move in this direction and has in-house capacity to provide the required homebuyer education and financial literacy courses typically required of first-time buyers.

3 – LACK OF ACQUISITION/REHAB PROGRAMS TO BRING OFF-LINE HOUSING UNITS BACK ON-LINE TO MEET MARKET NICHE ABOVE

Construction of new units to meet the market niche mentioned above may not be possible due to lack of developable land or the cost is prohibitive. As an option GHA is proposing an “Acquisition/Rehab” program to bring off-line housing units back on line for sale to low income families who graduate from public rental or for other moderate income first home buyers. This provides a way for low income families to

become property owners and also adds new tax paying property owners to the City of Gallup. Further, this would provide a pathway for low-income families moving to Gallup seeking low income housing to seek better schools, access to goods and services and gainful employment to becoming productive citizens of Gallup.

4 - DEVELOP NEW UNITS IN THE DESIRED MARKET SEGMENT ON LANDS ALREADY SET ASIDE FOR GHA OR CITY LANDS WHICH CAN BE TURNED OVER TO GHA FOR THAT PURPOSE.

Gallup Housing Authority already has six developments within the City limits in which additional housing units can still be developed or City lands exist adjacent to the existing properties which could be used to develop additional housing units for sale.

5 - DEVELOP PARTNERSHIPS WITH OTHER LANDHOLDERS and PROGRAMS WHO MAY WISH TO AID IN THE ABOVE OUTLINED STRATEGY TO ADDRESS THE NEED DEFINED ABOVE.

Possible partners: The City of Gallup, Gallup Land Partners, the Navajo Housing Authority, New Mexico Mortgage Finance Authority, Local Mortgage lenders, etc.

- End of Briefing by Richard F. Kontz [505] 236-1122 Cell